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September 10, 2018

**VIA E-FILING**

Jocelyn Boyd, Esquire  
Chief Clerk and Administrator  
South Carolina Public Service Commission  
101 Executive Center Drive  
Columbia, SC 29210

RE: Application of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for an Accounting Order to Defer Certain Costs Related to Grid Reliability, Resiliency and Modernization  
Docket No. 2018-206-E

Dear Ms. Boyd:

By letter dated July 23, 2018, I informed the Public Service Commission of the objection by the South Carolina Energy Users Committee ("SCEUC") to the Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC ("Duke") requesting an accounting order to defer certain capital and operating expenses pursuant to S.C. Code §58-27-1540 and S.C. Code Reg. 103-825 in the above referenced docket.

By correspondence dated September 4, 2018, the Office of Regulatory Staff ("ORS") informed the Commission of an agreement reached with Duke that the ORS does not oppose the request for a deferral. In particular, the ORS and Duke agreed as follows:

1. ORS' position is predicated on the basis that the issuance of an Accounting Order in this matter will not preclude the ORS, the Commission, or any other party, from addressing the reasonableness of these costs, and return sought, and including any carrying costs in a subsequent general rate case or other proceeding.
2. DEC and DEP agree to support a future filing by the ORS in the second half of 2019 for a proceeding to adopt guidelines on future deferral requests.
3. ORS' position on deferral request is not dispositive as to any future position on the merits of the Power/Forward Initiative.

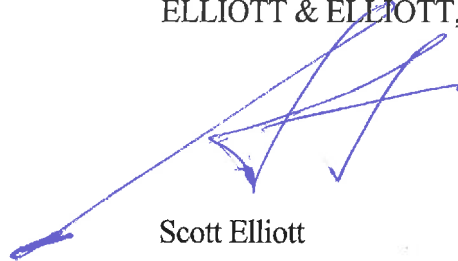
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In light of the agreement between the ORS and Duke, and without waiving any right it may otherwise have, SCEUC withdraws its objection to the Duke petition for an accounting order in the above docket.

Please let me know if you have questions.

Sincerely,

ELLIOTT & ELLIOTT, P.A.



Scott Elliott

SE/lbk

cc: All parties of record.